

MEMORANDUM

October 1, 2009

To: AAP Chapter Presidents
AAP Chapter Vice Presidents
AAP Chapter Executive Directors

Fr: AAP Department of Federal Affairs

Re: Federal Health Care Reform Update

FEDERAL REFORM RECAP

Senate.

This week, the Senate Finance Committee entered into its second week of modifying or “marking up” Chairman Baucus’ “America’s Healthy Future Act of 2009.” On Tuesday, the Senate Finance Committee voted to reject a pair of amendments that would have added a public insurance plan option to the bill. The committee voted 10-13 against an amendment to set up a public option with negotiated payment rates by Sen. Charles Schumer (D-N.Y.) and 8-15 against an amendment by Sen. Jay Rockefeller (D-W.Va.) to set up a public option with Medicare rates for the first two years. Rockefeller’s amendment would have made insurance available to all individuals and businesses through a national Insurance Exchange, and would have required Medicare providers to participate in the public plan for the first two years.

All 10 of the committee’s Republican members voted against the two amendments, along with Chairman Baucus and Sens. Kent Conrad (D-N.D.) and Blanche Lincoln (D-Ark.). Sens. Tom Carper (D-Del.) and Bill Nelson (D-Fla.) voted against the Rockefeller amendment but voted in support of the Schumer amendment.

The current version of the Senate Finance bill would establish a network of private not-for-profit health cooperatives, which Sen. Conrad proposed as a compromise amid strong opposition from the committee’s Republicans and moderate Democrats to a public plan.

Senate Majority Leader Harry Reid (D-Nev.), who has begun the process of merging the Finance Committee’s bill with the Senate Health, Education, Labor and Pensions (HELP) Committee’s bill, will decide whether to insert a public plan into the merged bill before it leaves the Senate at a future date.

House.

House Speaker Nancy Pelosi (D-Calif.) indicated on Tuesday that House leaders have identified \$200 billion in cuts to their health reform legislation, HR 3200, “America’s Affordable Health Choices Act of 2009,” to meet President Obama’s goal of keeping health reform’s price tag at \$900 billion over 10 years. House leaders met on Tuesday to discuss possible measures to lower the price of the bill, currently estimated to cost around \$1.1 trillion over the next decade.

In addition to cutting the cost of the bill, House leaders are also working to ensure that the legislation addresses the following concerns:

- Regional disparities in Medicare reimbursement rates;
- Long-term costs;
- Separation of federal funding for abortion services in Exchange plans; and
- Provider rate disparities under a public health insurance option.

Administration.

Staff in President Obama's Administration have confirmed that they are drafting a health reform bill that may enter the mix in Congress at some future date should the current Democratic proposals not pan out. The White House plan appears to be tailored to moderate Democrats and may gain some Republican support.

CHILD HEALTH DAY

Monday, October 5, 2009, is Child Health Day. Commemorating this important day presents the perfect opportunity to advocate for children's health needs within health reform. Since 1928, the President has proclaimed one day each year Child Health Day, and people across America have worked together to improve child health.

Let's make this year's Child Health Day about the life success of our nation's children, because a focus on children is the foundation of a health system that works.

WHAT CAN YOU DO?

1) In honor of Child Health Day and to meet the needs of children in health reform, we encourage you to submit op-eds to your local papers, to run on Monday, October 5. Please use the attached op-ed guidelines and tailor them as you see fit, whether with personal stories from the front lines or new state-specific data in [this](#) recently released report from the Robert Wood Johnson Foundation (<http://rwjf.org/files/research/49148.pdf>).

2) Participate in the National Physicians Alliance's National Grand Rounds event on Monday, October 5, at 12:00 p.m. ET. The event, which the Kaiser Family Foundation is webcasting live, will consist of a panel and Q & A forum on the status of health care legislation and help physicians become more informed advocates. Panelists include Chairmen Waxman and Harkin, Dr. Arthur Kellerman from Emory, and may include Health and Human Services Secretary Kathleen Sebelius. RSVP [here](#) (nationalgrandrounds.org).

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The Department of Federal Affairs is here to support you, and we are more than willing to answer any questions you may have. Please contact Jamie Poslosky (jposlosky@aap.org) or Bob Hall (rhall@aap.org) if you have any questions.